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ELECTION RESULTS Institute Officers for 1973

PRESIDENT.....	ADOLF U. HONKALA
VICE-PRESIDENT	JACK A. SIMON
SECRETARY-TREASURER.....	VITO A. GOTAUTAS
EDITOR.....	ALLEN F. AGNEW

EXECUTIVE COMMITTEE MEETING

The third meeting of the 1972 Executive Committee was held in Tulsa, Oklahoma on July 14 and 15. All members of the Committee were present, and Suzanne Takken, President of the Oklahoma State Section, was also present.

The first half 1972 Budget Comparison was presented with a note that 65 members still had not paid their 1972 dues as of June 30th. Expenditures for the first half of the fiscal year are about \$850 under anticipated, but with increasing costs this situation may change drastically before year end.

The Executive Committee received the report of the Nominating Committee regarding candidates for office for 1973, and approved the following candidates:

President Adolf U. Honkala and John B. Ivey
Vice-President .. Thomas A. Simpson and Jack A. Simon
Sec.-Treas. .. Richard Chojnacki and Vito A. Gotautas
Editor Allen F. Agnew and Henry L. Cullins, Jr.

The Nominating Committee reported having considerable difficulty obtaining candidates for some of the offices, and suggested that the Institute change to a single slate of candidates. It was suggested within the Executive Committee that changing to a President-Elect system might eliminate some of the difficulty in obtaining candidates for President.

President Rudd, Berg and Brunton reported on their visits with members in various areas, the results of which appear to be significant enough that the Executive Committee passed a resolution recommending that future Executive Committees budget significant funds for such visits.

Brunton reported that a number of members have mentioned a desire to use the initials "CPG" rather than "AIPG" after their names in correspondence. Use of "CPG" by members of the Institute was abandoned because of possible confusion with the initials used by Certified Petroleum Geologists.

It was the consensus that Institute members continue to use "AIPG" as a designation for the following reasons:

1. The probability of confusion and ambiguity still exists;
2. Use of "AIPG" gives greater recognition for the Institute;
3. There is no possible implication of registration or other legal recognition.

The Executive Committee approved the establishment of a National Service Award to be given to geologists in political affairs who have made outstanding contributions in public service.

At the request of President Rudd, through the good offices of S. L. Groff, AIPG 135, Senator Mike Mansfield obtained an opinion from the Library of Congress on the possibilities of a congressional charter for certification or registration of geologists. It is the opinion of the Library of Congress that such action would be almost impossible to obtain. The complete report on the subject is included in this issue.

The Committee spent considerable time discussing organizational changes recommended by members during the tours made by President Rudd, Berg and Brunton. Among matters discussed, but not acted upon were State Section organization, Advisory Board composition, an associate class of membership, committee structure, and a reduction in membership requirements. Any action to be taken on the above matters was deferred pending recommendations from the Committee on Institute Organization. The Committee did, however, decide to prepare amendments to the Constitution and Bylaws on the following matters:

Provide for a President-Elect, who will assume the duties as now defined for the Past President.

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STATE SECTION NEWS

COLORADO

QUESTIONNAIRE FOR CONSULTING GEOLOGISTS

The following questionnaire was sent to Colorado consulting geologists to obtain facts on employment which were presented in summary form at the August 14 Noon Section Luncheon Meeting of AIPG.

1. Are you an individual consultant? Yes 17
Are you a partner in a consulting firm? Yes 2
Are you associated with a consulting firm? Yes 1
2. List your principal consulting specialty.
Petroleum 17 Mining 2 Other: Envir. 2 Eng. Geol. 1
Water 2
3. Average annual income for last 5 years (fees)
12,550 (aver.)
Maximum annual income in one year 23,700 (aver.)
Minimum annual income in one year 7,400 (aver.)
4. What is your present fee charge to clients per day?
\$125 = 10 \$150 = 6 \$200 = 3
5. On a long job, when are you paid? Month
6. Have you ever obtained services other than your own to collect bad debts? Yes 2 No 18
If so, were they successful? Yes 1 No 1
7. Have you ever received a retainer? Yes 10
\$400 to \$3500 month
8. Have you ever worked fulltime as a consultant with a time contract instead of as a company employee?
Yes 3
9. What percent of your consulting agreements were in writing? 0% = 9 100% = 4 Others variable
10. Whom do you prefer to consult for:
Individuals previously known 10 Any 3
Small companies previously known 17 Any 9
Major companies 9
11. List individuals or firms that you personally know are a poor risk for paying of fees. 1 listed 2 names
12. What percent of your time (40 hours week) were you employed as a consultant? 1971 51%, 1970 51%, 1969 57%
13. Do you own or lease natural resource lands? Yes 14 No 6
14. Do you have income (over \$1000) other than fees?
Yes 17 No 3

62 questionnaires sent out; 20 received.

NEW YORK

The semiannual meeting of the New York State Section of AIPG was held jointly with the New York-Philadelphia Section of the Association of Engineering Geologists on June 1, 1972, at the Marriott Motor Hotel, Saddle Brook, N.J. The theme of the meeting was the licensing of geologists in the State of New York. Section President, Armine Banfield, began the meeting by reviewing the situation with respect to national registration.

The group was addressed by a panel of speakers consisting of George M. Banino-AIPG, AEG-Dunn Geoscience Corp.; Kernan W. Davis-New York State Department of Environmental Conservation; Robert Le Fleur-AIPG-Rensselaer Polytechnic Institute; Vance Bryant-New York State Department of Transportation, and William E. Cutcliffe-AIPG, AEG-Dunn Geoscience Corp. Topics discussed were: (1) activities of the Albany Chapter regarding licensing of geologists; (2) levels of professional recognition in New York; (3) the need for licensing of geologists and how licensing would affect the geology-engineering interface; (4) the engineers' view of licensing of geologists, and (5) the present standing of the profession of geology relative to licensing in New York and a proposed program for achieving licensing.

After considerable discussion, those members of AIPG in attendance were polled as to whether they were in favor or opposed to registration. All were in favor of registration. AEG members in attendance, who were not also members of AIPG, also unanimously favored registration.

Results of the Editor's Questionnaire No. 11

The questionnaire in the June issue of TPG drew 263 returns.

1. Inclusion of a junior membership (Masters degree but less than present experience requirements):
For 128 Against 134
2. Change the experience requirement from 8 years to 5 years past the Bachelors degree:
For 103 Against 159
3. Provide for a student membership:
For 89 Against 174
4. Provide for a corporate membership:
For 98 Against 151
5. Provide for a sustaining membership:
For 145 Against 93
6. Keep the membership requirements status quo:
For 83 Against 134

EXECUTIVE COMMITTEE MEETING (continued)

- Clarification of the training and experience requirements.
- Deletion of the requirement for three business references.
- Rescind Executive Committee authority to override screening board recommendations for rejection of an application.
- An increase in Institute dues.

All of the proposed amendments will be presented for discussion to the State Sections, and be included on the agenda for the October meeting of the Advisory Board. Amendments on which the Advisory Board makes a favorable recommendation will be presented to the membership for balloting by mail.

NATIONAL REGISTRATION NOT POSSIBLE

National registration of geologists has seemed to many to be the desirable answer to problems of conflicting registration requirements and reciprocity. But others have questioned whether or not such a course of action was feasible. Through the good offices of Sidney L. Groff, Director, Montana Bureau of Mines and Resources, this question was submitted to the office of Senator Michael J. Mansfield for investigation by his staff. We are very grateful to the Senator for the prompt and thorough attention which has been given to this question. As will be explained in the attached report from Senator Mansfield's office, national registration is neither feasible under existing laws and policy regarding congressional charters nor would it necessarily be effective since the individual states would still have the power to add their own requirements.

The following is a copy of the letter to Senator Michael J. Mansfield from Hugh P. Price, Attorney, at the American Law Div., Congressional Research Service, The Library of Congress.

"Reference is made to your transmittal to this Service of a letter from Mr. S. L. Groff, Director and State Geologist for the State of Montana together with a letter from Mr. Neilson Rudd, President of the American Institute of Professional Geologists, both of which relate to the certification of geologists by an organization chartered by Congress which would be in lieu of licensing by the States. For this purpose, Mr. Groff is interested in a Congressional charter for the American Institute of Professional Geologists. Your request is for information concerning a possible charter for this organization.

From time to time since 1791, the Congress has created corporations by special act of legislation for two main purposes: (1) to carry out governmental functions, and (2) to foster activities or enterprises deemed especially worthy of Congressional recognition, such as educational, charitable, benevolent, social, and cultural groups, and organizations of a similar nature. Prior to about 1900, among the groups chartered by Congress, were non-governmental organizations of a solely business nature, such as canal companies and railroads; however, few such groups have been chartered since 1900. A few organizations which may be termed scientific, professional, and similar groups have been chartered; however, no instance is found for certification as proposed in the letters of Messrs. Groff and Rudd.

Since 1964 Congress has granted few charters other than for organizations as agencies of the Federal Government, or as corporations for profit in areas where Congress has legislated such as housing, or nonprofit public service corporations such as the Corporation for Public Broadcasting.

The reason for the reduction in the issuance of federal charters is that standards for the granting thereof were tightened following the veto by President Johnson in the 89th Congress, 1st Session (1965) of a bill to grant a charter to a Youth Council on Civic Affairs (H.R. 3329). The veto message was printed as House of Representatives Document No. 292, 89th Congress (a copy of which is enclosed).

In his message President Johnson stated in part:

"For some time I have been concerned with the question of whether we were granting Federal charters to private organizations on a case-by-case basis without the benefit of clearly established standards and criteria as to eligibility. Worthy civic, patriotic, and philanthropic organizations can and do incorporate their activities under State law. It seems obvious that Federal charters should be granted, if at all, only on a selective basis and that they should meet some national interest standard.

"Other questions indicate the desirability of further study of this matter. For example, does the granting of Federal charters to a limited number of organizations discriminate against similar and worthy organizations and possibly stifle their growth? Should federally chartered corporations be more carefully supervised by an agency of the Federal Government? Does Federal rather than State chartering result in differences in the legal or tax status of the corporation, and are any differences appropriate ones?

"I note that last year Congress enacted Public Law 88-504, at the recommendation of the General Accounting Office, to provide common standards of auditing and reporting for federally chartered corporations covered by Title 36 of the United States Code. This reflected a concern similar to mine that proper standards and criteria be established in this area.

"I hope that the Judiciary Committees will find it possible to make a comprehensive study of the questions I have outlined above. I am asking the Department of Justice and the Bureau of the Budget to explore these questions also and to make appropriate recommendations to me.

"In the light of these concerns and without reflection in any way on the worthy purposes of the organization which would be incorporated by this bill, I feel constrained to withhold my approval from H.R. 3329 at this time.

Thereafter, in the 91st Congress (1969) the House and the Senate adopted strict guidelines for the issuance of Federal charters (a copy of which is enclosed). These are the minimum standards that the American Institute of Professional Geologists would have to meet for consideration of a charter.

With respect to certification of geologists by the proposed corporation, standards may of course be established by the organization as conditions for membership, and the standards so established may or may not be accepted by the States for the licensing of geologists to practice therein. The reason that this cannot be forced on the States is that jurisdiction for the licensing and regulation of the trades, professions and occupations generally comes within the police power of the States (see enclosed excerpt from 16 American Jurisprudence, Constitutional Law, Sec. 323, Restrictions to qualified persons).

In conclusion, it seems to us that Congress is not in a charter granting mood. The minimum standards set by the Committees on the Judiciary must be met and others may be imposed. As for the principal object of the organization in applying for a Federal charter--to certify members so they can practice their profession without state licensing, we believe, as stated above, that this is not permissible as being in violation of the police powers of the States."

REPORT OF JOINT COMMITTEE ON DEFINITIONS

The Joint Committee on Definitions appointed by the three societies in 1969 to recommend definitions of the terms ore, ore reserves, reserves, exploration, development, and the categories into which ore reserves may be subdivided, has brought its deliberations to a conclusion and submits the definitions for adoption by the three societies.

The Committee has given considerable weight to the current usage of the terms. For example, the term "ore" is generally now deemed to include nonmetallic as well as metalliferous deposits. It is also generally considered to include the profit aspect. Mineralized material not economically exploitable at the time a statement is made should be referred to by another term such as resources, mineralization, etc. Economic aspects are usually involved in describing exploration and development and therefore must be defined, at least for financial reasons, according to the subdivisions set forth in the Internal Revenue code; these have been used as a basis for the recommended definitions.

The classification of ore reserves is difficult and a subject of debate in the industry. The principal reason for subdividing ore reserves into categories is to indicate the degree of probability to which the tonnage and grade have been established and to state in some way the limits of the risk as to whether the ore reserves will be found as estimated on being mined. Definitions are proposed for the Proven and Probable categories of ore reserves. No definition is recommended for material that might be called "Possible" or "Inferred" as it is felt that these terms should not be used in conjunction with the word "ore."

Ore - A solid natural aggregation of one or more minerals which can be mined at a profit with current technology and under current economic conditions.

Ore Reserves - A specific estimated tonnage of ore that is available, or can be made available, for future mining.

Reserves - Synonymous with the term "ore reserves."

Exploration - The search for a mineral deposit by aerial or ground methods, and after discovery, its investigation by drilling, surface and/or underground workings, sampling and testing to determine its extent, mode of occurrence and recoverable grade up to the stage at which an economically mineable deposit has been disclosed.

Development - Work done on a mineral deposit when, after consideration of all the facts and circumstances, ore has been disclosed in sufficient quantity and quality to reasonably justify exploitation.

CLASSIFICATION OF ORE RESERVES

Proven Ore - Means an ore reserve so extensively sampled that the risk of failure in continuity is reduced to a minimum. The estimated tonnage and grade are judged to be accurate within

stated limits, the lower of which must permit economic operation.

Probable Ore - Means ore as to which the risk of failure in continuity is greater than for Proven Ore, but as to which there is sufficient warrant for assuming continuity of the ore.

ARMINE F. BANFIELD (American Institute of Professional Geologists)

NORMAN H. DONALD, JR. (American Institute of Mining, Metallurgical and Petroleum Engineers)

LOWELL B. MOON (Society of Economic Geologists)

PROFESSIONAL PARAGRAPHS

ROBERT R. BERG, AIPG, presently associate dean of geosciences at Texas A & M University, has been named the Institution's Director of Research.

TAMU President, JACK K. WILLIAMS, said the new position is being created to provide for development and support of varied research programs which are not conducted outside of the existing agricultural and engineering experiment stations.

IAN CAMPBELL, AIPG, formerly the State Geologist of California before his retirement in October 1969, is the new President of the California State Board of Registration for Geologists.

CHARLES E. CORBATO, AIPG, is now serving as the new Chairman of the Department of Geology and the Department of Mineralogy of the Ohio State University.

CORRECTION - HOWARD E. ROTHROCK, AIPG, is Vice Chairman, Environmental Improvement Board, rather than Head of Environmental Improvement Agency as reported in the June issue of TPG. The Board's principal activity is the formulation and adoption of regulations controlling operations that affect New Mexico's environment and the preparation of legislation in the same field.

WILLIAM L. SMITH, AIPG, has left Bellcomm Inc., Washington, D.C., to join System Planning Corporation of Arlington, Virginia. He will handle liaison with various government agencies, including the U.S.G.S. and N.A.S.A.

ALFRED K. SNELGROVE, AIPG, who was visiting professor of applied geology at Middle East Technical University, Ankara, Turkey, 1970-71, is temporarily in Cairo, Egypt, as consultant to United National Technical Cooperation Mission in an evaluation of the mineral potential of the Aswan region.

JOSEPH F. RICCIO, AIPG, has been appointed to head the southern regional office of the Geological Survey of Alabama in Mobile.

LINN F. ADAMS, AIPG, is one of 33 executives named as directors of the National Ocean Industries Association.

LETTERS TO THE EDITOR

Dear Sir:

With reference to Hypothetical Ethics Problems and the answer to "What Is a Consultant" leaves something to be desired. After 14 years of consulting practice I found it quite easy to consult, promote, be an expert witness and all the other duties expected of a consultant without conflict. My varied interests were explained to all new clients and an explanation to old clients was not necessary. Each evaluation, lease play, farm-out or whatever is an entity in itself and there need be no conflict - provided of course the geologist is ethical and most are.

There is no compromise with principle. Our profession is small enough to weed out unethical or unqualified geologists and AIPG has done a commendable job.

I shall be quite interested to see the answers to Hypothetical Ethics Problems pertaining to Professors, Governmental and State Agency geologists who, in many cases, are competing with the real consultants. I shall also be interested by what names they will be called. I realize I shall be stepping on the toes of many of my friends but so be it.

I'm not sure there is such a thing as a "True Consultant" by your committee's definition or any other for that matter.

Silas C. "Buzz" Brown

Dear Sir:

I noticed an article on ethics a problem. This article missed the mark and in my opinion confused the issue. Having written hundreds of reports and having sold thousands of acres of land, my experience is quite different.

In the first place, if your map work, analysis and conclusion are correct (which they should be) you many times attempt to lease the same land as other geologists or companies are after.

Second, if you present the deal or lease block with your report, you usually have your money in the leases. Your report will have to justify the drilling of the well or purchase of your leases or you will look silly.

Third, in almost every case, the lease block or report is checked by other geologists to see if the facts are correct. If not correct, you will get turned down. Normally you get turned down several times on any lease block or report. If the operator does not like the area or prospect, you may wind up eating your own lease block.

Fourth, almost all companies have the well site geologist hired or one they prefer. This is simply good sound business practice. Well setting normally will not pay enough to attract good men on a per well basis. Therefore, the company may have a man or other people to watch the well, and the owners (promoter-companies or working interest) decide when and where to set pipe. Not the original geologist.

Fifth, after the deal is sold, the original geologist is seldom called back in on future location, well setting, development work, workovers or water flooding. Believe it or not, the engineer or geological engineer takes over after the first well and most geologists have to call the companies, or even go to the well site to find out what is going on.

So there is really no ethic problem involved as long as a man does his homework correctly and gets the facts down on paper. If he does not - then you will fail to be invited back and, believe me, the word gets around pretty damn fast.

Walt Cline

Dear Sir:

In the June, 1972 issue a Hypothetical Ethics Problem was made and answered without being signed so will address this letter to you.

I have worked for two Major Oil Companies during my life and have been on retainer for the past 14 years and consider myself a consultant. During my time with the Majors we were allowed to purchase minerals under our prospects and since being on retainer I receive an ORRI on my prospects. During this time I have watched very few wells in which I did not have some interest and do not believe I have violated any ethics of AAPG, AIPG, or Oklahoma City Geological Society.

The only way one would be in violation would be that the client was not made aware of the vested interest. A true professional will make his recommendation based on the facts and his knowledge not on whether he has a vested interest.

Robert M. Becker

OBITUARIES

LEE W. KILGORE, Past President of the New Mexico Section, died on May 15, 1972. Lee was very active in AIPG affairs on both the local and national levels, and a tireless contributor to the profession.

JAMES G. MITCHELL, a charter member of the Institute, died on May 24, 1972 after a long illness.

FRANKLIN J. WEISHAUPL, charter member of the Institute, was killed in a plane crash at New Delhi, India on June 15, 1972.

HENRY S. BIRDSEYE, Vice-President of the New Mexico Section, was killed in an airplane crash on June 23, 1972. Henry was a charter member of the Institute, and very active in Institute and professional affairs in New Mexico.

WILLIAM D. MILLER, head of the Department of Geosciences at Texas Tech University, was also killed in the airplane crash of June 23, 1972.

J. KENT PERRY, another charter member of the Institute, was killed in the same airplane crash with Henry and Bill on June 23, 1972.

WARREN B. SCOBAY, longtime independent petroleum geologist in Denver, died of a sudden heart attack on July 3, 1972.

With the recent resignation from membership of HOWARD L. ELLINWOOD, the active membership of the Institute is 2213 Certified Professional Geologists.

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